better reasoned cases. *Jones* v. *Weigand*, 134 N. Y. App. Div. 644, 119 N. Y. S. 441 (1909); *Bogorad* v. *Dix*, 172 N. Y. S. 489 (1918); *Pierce-Fordice Oil Ass'n* v. *Brading* (Tex. Civ. App.), 212 S. W. 707 (1919).

There seems to be no case in Virginia involving this particular point.

PRINCIPAL AND AGENT—UNAUTHORIZED AGENT—ACTS, DECLARATION AND CONDUCT OF AGENT ALONE DO NOT ESTABLISH AGENCY.—The plaintiff employed an agent to conduct his garage business during his absence of a few days. The agent, by representing himself as the plaintiff's agent, disposed of an automobile to the defendant at a sum ridiculously less than the regular selling price. The agent requested the defendant to make the check payable to him, which the defendant did, and the agent decamped with the proceeds. Upon the plaintiff's return, he learned of the transaction and demanded of the defendant the possession of the automobile. After being refused, the plaintiff brought an action for the recovery of the car. *Held*, plaintiff could recover. *Robertson* v. *C. O. D. Garage Co.* (Nev.), 199 Pac. 356 (1921).

The relation of principal and agent cannot be established by the acts, declaration and conduct of the alleged agent. *Mathes* v. *Switzer Lumber Co.*, 173 Mo. App. 239, 158 S. W. 729 (1913); *Salmon Falls Bank* v. *Leyser*, 116 Mo. 51, 22 S. W. 504 (1893); *Waverly Timber & Iron Co.* v. *St. Louis Cooperage Co.*, 112 Mo. 383, 20 S. W. 566 (1892). One who acts and relies on the word of another, who represents himself to be the agent of a third person, does so at his own peril. *Lippincot* v. *East River Mill & Lumber Co.*, 79 Misc. Rep. (N. Y.) 559, 141 N. Y. Supp. 220 (1913); *Baker* v. *Seward*, 63 Ore. 350, 127 Pac. 961 (1912); *Blair* v. *Sheridan*, 86 Va. 587, 10 S. E. 414 (1889). The principal is never bound when the person dealing with an agent knows, or has reasonable grounds to know, that the agent is exceeding his authority, or perpetrating a fraud. *Ryan & Miller v. Am. Steel & Wire Co.*, 148 Ky. 481, 146 S. W. 1099 (1912); *Lee* v. *Vaughn Seed Store*, 101 Ark. 69, 141 S. W. 496, 37 L. R. A. (N. S.) 352 (1911). The great weight of authority is that mere possession alone does not give authority to sell. *Staunton* v. *Hawley*, 193 App. Div. 559, 184 N. Y. Supp. 415 (1920); *Smith* v. *Clews*, 114 N. Y. 190, 21 N. E. 160, 4 L. R. A. 392, 11 Am. St. Rep. 627 (1889); *Levi* v. *Booth*, 58 Md. 305, 42 Am. Rep. 332 (1882).

The fact that an agent was representing his principal in a certain territory to sell a certain make of automobile, and that the agent had been seen in the territory on many previous occasions with a car of another make, was not sufficient to clothe the agent with apparent authority to sell a car, of the latter make in such territory. *Pierce* v. *Fioretti*, 140 Ark. 306, 215 S. W. 646 (1919).

The owner of personal property may recover it, or its value from third persons who have purchased it from an agent who has neither express nor implied authority to sell, unless the person disposing of it has been invested by the owner with indicia of title or clothed with apparent authority to make the disposition. *Davidson* v. *Farrow Mercantile Co.*, 13 Ala. App. 614, 68 So. 602 (1915).